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PROGRESS REPORT ON NSC 50 FOR 1952 (ADMINISTRATION)

In July, 1949, the National Security Council directed that certain changes be made in the organization of the Central Intelligence Agency. In 1951, the instructions contained in this Directive--NSC 50--were carried out in all substantial respects. In 1952, there were additional organizational rearrangements necessitated by the Agency's experience over the past three years.

There is attached, marked Tab A, a chart of the organization of the Central Intelligence Agency as of October, 1950, an organization chart as of 31 December 1951, and one as of 31 December 1952. A comparison of these charts indicates the general scope of the reorganization.

Specifically, there was established the Office of Inspector General, reporting directly to the Director of Central Intelligence.*

To sharpen the organization of the Agency into the three major fields of responsibility--Intelligence, Operations, and Administration--there was also established during 1952 the Office of Deputy Director (Intelligence). The activation of this office has relieved the Deputy Director of Central Intelligence of that immediate responsibility and, in addition, has fixed a direct supervision of the subordinate intelligence offices and has left the Deputy Director of Central Intelligence the freedom to assist the Director in the major problems of the Agency.

In order to establish a single chain of command from Washington to the field organizations, the Agency clandestine services were reorganized in 1952. The new structure eliminated duplicate command systems and established under the Deputy Director (Plans) staff elements specializing in secret intelligence and
25X1A counterespionage, [redacted] and psychological warfare, paramilitary operations, technical support, and administration.

The administrative organization of the Agency was centralized throughout the year in order that it might not extend separately and in parallel to the operational command system. This development was strengthened by the Director's order which established a single field organization with a single chain of command and a single set of administrative procedures. The order created the office of Chief Administrative Officer, Deputy Director (Plans), which acts for the clandestine services much as would a Quartermaster for a Field Army. The Chief Administrative Officer deals directly with the central administrative offices, which, in turn, ascertain that the allocation of means to the clandestine services is within the Agency's total resources and is consistent with the other requirements of the Agency.

Within Administration, there remain a number of unsolved problems--major and minor. The following examples will indicate their nature and range:

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* The Inspector General has asked that comments as to the responsibilities or purposes of the Office of Inspector General be obtained--personally--from him.

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1. Security - Though maximum vigilance has been used to insure the security of the Central Intelligence Agency, including the development of a comprehensive program of polygraph tests, absolute invulnerability is possible only when the Agency is stabilized with but a small change in the number of personnel. In 1952 total duty strength increased from [redacted] 25X9A2

In addition, members of the Agency are scattered among [redacted] buildings, spread throughout the Washington area. Attempts to acquire a single, secure building in 1952 resulted in Congressional authorization of $38,000,000 for the construction of such an edifice. Efforts will be continued in 1953 to secure an appropriation for this purpose, ~~as well as to obtain enabling legislation which can be considered adequate.~~ 25X9A2

During 1952 a survey of the Office of Inspection and Security by the Advisor on Internal Security to the NSC recommended steps toward more centralized control of matters involving security. These have been actively and vigorously launched.

2. Personnel - Efforts to insure the continuity of high-caliber personnel in the Central Intelligence Agency were signally advanced through the activation of a Career Service Program. This incorporated systems and procedures for personnel evaluation and has made possible increased emphasis upon in-service placement. Though full development will take time, the past year has seen marked progress in the task of properly locating the Agency's qualified personnel.

3. Medical - The problem of providing medical support for the unique and specialized operations of the Agency has been a continuing one. During 1952, the following particular achievements were realized:

a. Receipt of the fullest practicable medical assistance from the Armed Forces by means of a directive published by the Department of Defense after a long series of negotiations with the Armed Forces Medical Policy Council.

b. The stockpiling of medical supplies for support of Agency operations.

c. The installation of a psychiatric division to provide specialized selection, research, diagnosis, and treatment.

4. Logistics - The Office of Procurement and Supply was reorganized during 1952 by centralizing in this office the various logistic components of the Agency. Both the Transportation Division and the Real Estate and Construction Division were transferred and made a part of it. The location of these elements in one single place has resulted in a marked improvement from the previous more widely dispersed and decentralized arrangement.

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